

Week Three – Conduct Workforce Analysis

The key element in the workforce planning process is an analysis of workforce data. It considers information such as job classifications, skills, experience, retirement eligibility, diversity, turnover rates, education, and trend data. This step reviews the work that will be required for an agency to achieve its goals and objectives, the knowledge and skill sets, and the staffing levels necessary to perform that work.

There are two phases in conducting the workforce analysis:

Phase 1: Workforce Demand Forecast

The **Workforce Demand** forecast identifies the future workforce needed to carry out the agency's mission. The focus of this step should be on the *work* the agency must perform and on the *staff* needed to perform that work. In this step, identify the current work functions being performed, future or new functions that will need to be performed, and how the work will be performed in order to achieve the goals of your strategic plan. You may also identify current functions which will not be necessary in the future due to changes in technology or responsibility in providing specific services. In this step, a staffing assessment against future functional requirements is conducted. The result is a forecast of the type of competencies, numbers, and locations of employees needed in the future. This makes up the future workforce profile.

An important part of the demand analysis process is examining not only what work the agency will do in the future, but how that work will be performed. Some possible considerations include:

- How will jobs and workload change as a result of technological advancements, economic, social, and political conditions?
- What are the consequences or results of these changes?
- What will be the reporting relationships?
- How will divisions, work units, and jobs be designed?
- How will work flow into and out of each part of the organization?

After determining the future work functions and how they will be performed, identify the competencies employees will need to carry out that work. Competencies are a set of behaviors that encompass the knowledge, skills, and abilities that, taken together, are critical to successful work accomplishment.

Competencies may be defined both organizationally and on an individual basis. Identifying competences on an organizational basis provides a means for pinpointing the most critical competencies for organizational success.

Individual competencies are those that each employee brings to his or her function. Individual and team competencies are critical components of organizational competencies. If the individual competencies in the workforce are not in accord with those needed by the organization, workforce planning will identify these gaps.

Phase 2: Workforce Supply Analysis

The **Workforce Supply** analysis focuses on an agency's existing and future workforce supply. It answers the question, "What is the existing profile of the current workforce, and what does it need to be in the future to accomplish the agency's goals and objectives?" Once the work functions that must be performed have been determined, identify the staffing, or workforce, needed to perform those functions. Focus on defining the competencies (i.e., knowledge, skills, and abilities) staff must possess to successfully perform the work. Determine the number of staff with these competencies that your agency will need to accomplish its functions.

There are a host of factors that may be included in the workforce profile, including:

- Number of employees
- Knowledge and skill sets
- Job classifications and grade levels
- Salary level
- Race/Ethnicity
- Gender - #Male/#Female
- Locations
- Education levels
- Experience levels
- Appointment status (permanent, temporary, etc.)

Once the current workforce profile has been prepared, project it out into the future as if no special management action was taken to replace attrition or develop existing staff. This projection can be accomplished by determining attrition rates for the organization and/or occupational areas and applying those to the present profile.

In order to project your future workforce supply, calculate past attrition by adding up the number of employees who left the agency and dividing by the total number of employees. Include:

- Retirements
- Resignations
- Deaths
- Transfers
- Interdepartmental promotions
- Dismissals
- Etc.

Next week will address conducting a Gap Analysis. A Gap analysis is the process of comparing the workforce supply projection to the workforce demand forecast.

For additional information concerning strategic planning, please visit our website at: [Kentucky: Personnel Cabinet - Kentucky Government Agency Strategic Plans and Progress Reports](#)

Conduct Workforce Analysis

The results of your workforce analysis will establish the requirements for your agency's future workforce and lead to an assessment of staffing and competencies.

Phase 1. Workforce Demand Forecast – Identify Work Functions

Asking the following questions will help determine the current and future work functions:

- Which functions will remain unchanged?

- What services may be discontinued or outsourced?

- How might existing services be enhanced or changed and what effect will that have on the work and human resource needs?

- Will any functions be consolidated?

- Are any process changes being proposed or have any other factors changed which might result in an increase or decrease in workload?

- How will divisions, work units, and jobs be designed?

- How will work flow into and out of each part of the department? What will be done with it?

<ul style="list-style-type: none">• What new services will be offered?
<ul style="list-style-type: none">• What technology changes will be made or new technologies introduced?
<ul style="list-style-type: none">• Are any reorganizations planned or needed?
<ul style="list-style-type: none">• Are there any plans to open new offices, collocate offices, or close existing offices?
<ul style="list-style-type: none">• How soon will changes be needed?
Phase 1. Workforce Demand Forecast – Identify Staffing Requirements
Now that you have identified the work functions that must be performed to achieve the goals of your strategic plan, it is time to identify the workforce needed to perform these functions. Some questions to consider when identifying required competencies:
<ul style="list-style-type: none">• What are the critical functions that must be performed to achieve the agency's strategic plan?
<ul style="list-style-type: none">• What competencies are needed to perform each of the work functions?
<ul style="list-style-type: none">• What job classifications could be expected to possess the needed competencies?
<ul style="list-style-type: none">• Which of the identified competencies do not fit any of the existing classifications?
<ul style="list-style-type: none">• What measurement tools will be needed to assess applicants/employee level of the

desired competencies?
In addition to identifying competencies, determine the number of staff needed. The following questions will assist in quantifying your staffing requirements:
<ul style="list-style-type: none"> What are the projected workload volumes?
<ul style="list-style-type: none"> How will work flow into each part of the department? What will be done with it? Where will work flow? How will divisions, work units, and jobs be designed?
<ul style="list-style-type: none"> What staffing levels will be required by competency and/or classification, division/section/unit, and geographic location?
<ul style="list-style-type: none"> What are the potential impacts of technology, budget constraints, or other factors on the competencies and staffing levels?
Phase 2. Workforce Supply Analysis – Current Workforce Profile
The following factors may be included in developing a profile of the current workforce:
<ul style="list-style-type: none"> Number of employees Required skills for the position Classifications and Grade levels Salary Race/Ethnicity Gender - #Male/#Female Locations Educational levels Appointment status (permanent, temporary, etc.) Experience levels
In order to project your future workforce supply, calculate past attrition by adding up the number of employees who left the agency and dividing by the total number of employees. Include:
<ul style="list-style-type: none"> Retirements: Resignations: Deaths: Transfers: Interdepartmental promotions: Dismissals:

